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FISCAL IMPACT STATEMENT

LS 7846

BILL NUMBER: SB 399

NOTE PREPARED: Jan 14, 2003

BILL AMENDED:

SUBJECT: Waiver of property tax penalty.

FIRST AUTHOR: Sen. Zakas

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill allows a county treasurer to waive the penalty added to a delinquent November installment of property taxes if the taxpayer: (1) requests a waiver from the county treasurer; (2) has not previously failed to pay an installment of property taxes attributable to property located in the county on or before the due date; (3) did not receive notification that the tax was due within the two months preceding the date on which the installment of property taxes was due; and (4) pays in full the property tax installment considered delinquent. It also allows a refund of penalties paid with delinquent November property taxes if the county treasurer determines that the taxpayer would have qualified for a waiver of the penalty.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current law, a taxpayer who fails to timely pay a property tax bill is subject to a penalty of 10% of the unpaid amount on the day after the due date. An additional 10% penalty is assessed for each year that the payment is late beyond the initial due date. Taxes are payable in semi-annual installments on May 10 and November 10 each year. Beginning with taxes due in CY 2003, this bill would allow the county treasurer to waive the penalty amount under the conditions set forth above.

Late payment penalties are distributed among the taxing units that serve the taxpayer in the same manner as are property taxes. Local revenues would be reduced if a penalty is waived under this proposal. The actual fiscal impact would be dependent on local action.

State Agencies Affected:

Local Agencies Affected: County treasurers; County fiscal bodies; Local civil units and corporations.

Information Sources:

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